

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DEPARTMENT OF AGRICULTURE AND CONSUMER
3 SERVICES, THE DEPARTMENT OF COMMERCE, AND THE DEPARTMENT
4 OF ENVIRONMENT AND NATURAL RESOURCES TO EVALUATE THE
5 CARBON SEQUESTRATION POTENTIAL OF NATURAL AND WORKING
6 LANDSCAPES IN THE STATE; TO STUDY OTHER OPPORTUNITIES TO
7 DEVELOP CARBON OFFSETS WITHIN THE STATE; AND TO STUDY THE
8 FEASIBILITY AND ADVISABILITY OF ESTABLISHING A CARBON OFFSET
9 PROGRAM IN THE STATE, AS RECOMMENDED BY THE LEGISLATIVE
10 COMMISSION ON GLOBAL CLIMATE CHANGE.

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.(a)** Definitions. – As used in this act:

- 13 (1) "Cap and trade program" means any program that (i) places a limit, or
14 cap, on the total amount of greenhouse gas emissions that is allowed
15 under the specific target for greenhouse gas emissions set under the
16 program, (ii) allocates greenhouse gas emissions as credits to individual
17 businesses so that the total credits allocated equal the cap, (iii) and
18 allows businesses to bank credits for the future or to buy and sell credits
19 based on whether a particular business reduced or increased its
20 greenhouse gas emissions in a given year and the value of the credits in
21 the marketplace.
- 22 (2) "Carbon offset" means the credit given for activities that result in the
23 reduction or avoidance of greenhouse gas emissions, or for the
24 sequestration of greenhouse gases. For the purposes of this act, one
25 carbon offset shall be equal to the reduction, avoidance, or sequestration
26 of one metric ton of carbon dioxide emissions or its functional
27 equivalent in other greenhouse gases.
- 28 (3) "Carbon sequestration" means the absorption from the atmosphere of
29 carbon dioxide by vegetation and soils; and the storage of carbon in
30 vegetation and soils.
- 31 (4) "Greenhouse gas" means any gas that contributes to anthropogenic
32 global warming, including, but not limited to, carbon dioxide, methane,
33 nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur
34 hexafluoride.

35 **SECTION 1.(b)** Study. – The Department of Agriculture and Consumer
36 Services, the Department of Commerce, and the Department of Environment and Natural
37 Resources shall jointly evaluate all of the following:

- 38 (1) The carbon sequestration or reduced emission potential of all lands,
39 wetlands, and coastal waters, including working and natural landscapes
40 in the State, from the following practices:
- 41 a. Alternative farming practices.
- 42 b. Soil carbon management and storage.